

HOUSING AUTHORITY OF LAKE PROVIDENCE, LOUISIANA

**AUDITED FINANCIAL STATEMENTS
AND SUPPLEMENTAL DATA**

TWELVE MONTHS ENDED SEPTEMBER 30, 2014

Mike Estes, P.C.
A Professional Accounting Corporation

TABLE OF CONTENTS

	<u>EXHIBIT</u>	<u>PAGE</u>
Independent Auditor's Report		1 – 3
Management Discussion & Analysis		4 – 10
Basic Financial Statements		
Statement of Net Position	A	11
Statement of Revenues, Expenses, and Changes in Fund Net Position	B	12
Statement of Cash Flows	C	13 – 14
Notes to the Basic Financial Statements		15 – 24
Index		15
Notes to Financial Statements		16– 24
<i><u>Other Reports Required by Government Auditing Standards And by Office of Management and Budget (OMB) Circular A-133</u></i>		
Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>		25 – 26
Report on Compliance with Requirements That Could Have a Direct and Material Effect on Each Major Program and on Internal Control Over Compliance in Accordance with OMB Circular A-133		27 – 29
Schedule of Expenditures of Federal Awards		30
Notes to the Schedule of Expenditures of Federal Awards		31
Schedule of Findings and Questioned Costs		32 – 34
Corrective Action Plan		35
Summary Schedule of Prior Year Audit Findings		36
Summary Schedule of Current Year Management Letter Items		37
Summary Schedule of Prior Year Management Letter Items		38
<i><u>Supplementary Information</u></i>		
Statement of Modernization Costs – Uncompleted	D(1)	39
Schedule of Compensation, Benefits and Other Payments to Agency Head or Chief Executive Director	D(2)	40
Financial Data Schedules		41 – 48

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AUDIT QUALITY CENTER

Independent Auditor's Report

Board of Commissioners
Housing Authority of Lake Providence
Lake Providence, Louisiana

Report on the Financial Statements

We have audited the accompanying financial statements of the Housing Authority of the Town of Lake Providence, Louisiana as of and for the year ended September 30, 2014, and the related notes to the financial statements, which collectively comprise the Housing Authority of Lake Providence, Louisiana basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in financial statements. The procedures selected depend on the auditor's judgment, including assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design and audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly we express no such opinion. An audit also

includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the Housing Authority of the Town of Lake Providence, Louisiana, as of September 30, 2014, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Managements' Discussion and Analysis on pages 4 to 10 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards general accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Housing Authority of the Town of Lake Providence, Louisiana's basic financial statements. The statement of modernization costs-uncompleted, financial data schedules, and other information as listed on the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The statement of modernization costs--uncompleted, financial data schedules, and other information as listed on the table of contents is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our

opinion, the statement of modernization -uncompleted, financial data schedules, and other information as listed on the table of contents are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated March 30, 2015 on our consideration of the Housing Authority of the Town of Lake Providence, Louisiana's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Audit Standards* in considering the Housing Authority of the Town of Lake Providence, Louisiana's internal control over financial reporting and compliance.

Mike Estes, P.C.
Fort Worth, Texas
March 30, 2015

HOUSING AUTHORITY OF LAKE PROVIDENCE, LOUISIANA

REQUIRED SUPPLEMENTAL INFORMATION

MANAGEMENT DISCUSSION AND ANALYSIS (MD&A)

SEPTEMBER 30, 2014

The management of Public Housing Authority of Lake Providence, Louisiana presents the following discussion and analysis (MD&A) of the Housing Authority's financial activities for the fiscal year ending September 30, 2014. This represents an overview of financial information. Please read this discussion and analysis in conjunction with the Authority's included audited financial statements.

FINANCIAL HIGHLIGHTS

- The primary source of funding for these activities continues to be subsidies and grants from the Department of Housing and Urban Development (HUD), whereas tenant rentals provide a secondary but also significant source of funding.
- The Housing Authority's assets exceeded its liabilities by \$2,191,013 at the close of the fiscal year ended 2014.
 - ✓ Of this amount \$2,046,096 represents a restriction equal to the net amount invested in land, buildings, furnishings, leasehold improvements, equipment, and construction in progress, minus associated debts.
 - ✓ The remainder of \$144,917 of unrestricted assets could be used to meet the Housing Authority's ongoing obligations to citizens and creditors. As a measure of financial strength, this amount equals 15% of the total operating expenses of \$919,919 for the fiscal year 2014, which means the Authority might be able to operate about 2 months using the unrestricted assets alone, compared to 2 months in the prior fiscal year.
- The Housing Authority's total net position decreased by \$104,131, a 5% decrease from the prior fiscal year 2013. This decrease is attributable to significant increases in Federal grants for both operations and capital improvements, described in more detail below.
- The decrease in net position of these funds was accompanied by an increase in unrestricted cash by \$274,895 from fiscal year 2013, primarily due to spending \$6,738 less for operations than Federal funds received for operations; spending \$268,269 less for capital assets than Federal capital grants received; and transferring \$112 of excess cash into investments
- The Authority spent \$16,982 on capital asset additions and \$100,093 on construction in progress during the current fiscal year.
- These changes led to an increase in total assets by \$182,864 and an increase in total liabilities by \$286,995. As related measure of financial health, there are still over \$1 of current assets covering each dollar of total current liabilities, which compares to \$4 covering the prior fiscal year's liabilities.
- The Housing Authority continues to operate without the need for debt borrowing.

OVERVIEW OF THE FINANCIAL STATEMENTS

This MD&A is intended to serve as an introduction to the Housing Authority's basic financial statements. The Housing Authority is a special-purpose government engaged in business-type activities. Accordingly, only fund financial statements are presented as the basic financial statements, comprised of two components: (1) fund financial statements and (2) a series of notes to the financial statements. These provide information about the activities of the Housing Authority as a whole and present a longer-term view of the Housing Authority's finances. This report also contains other supplemental information in addition to the basic financial statements themselves demonstrating how projects funded by HUD have been completed, and whether there are inadequacies in the Authority's internal controls.

Reporting on the Housing Authority as a Whole

One of the most important questions asked about the Authority's finances is, "Is the Housing Authority as a whole better off, or worse off, as a result of the achievements of fiscal year 2014?" The Statement of net position and the Statement of Revenues, Expenses, and Changes in Net Position report information about the Housing Authority as a whole and about its activities in a way that helps answer this question. These statements include all assets and liabilities using the accrual basis of accounting, which is similar to the accounting used by most private-sector companies. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

Fund Financial Statements

All of the funds of the Housing Authority are reported as proprietary funds. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Housing Authority, like other enterprises operated by state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

The Housing Authority's financial statements report its net position and changes in net position. One can think of the Housing Authority's net position – the difference between assets and liabilities – as one way to measure the Authority's financial health, or financial position. Over time, increases and decreases in the Authority's net position are one indicator of whether its financial health is improving or deteriorating. One will need to consider other non-financial factors, however, such as the changes in the Authority's occupancy levels or its legal obligations to HUD, to assess the overall health of the Housing Authority.

USING THIS ANNUAL REPORT

The Housing Authority's annual report consists of financial statements that show combined information about the Housing Authority's most significant programs:

Low Rent Public Housing	\$ 410,799
Public Housing Capital Fund Program	<u>168,242</u>
Total funding received this current fiscal year	<u>\$ 579,041</u>

The Housing Authority's auditors provided assurance in their independent auditors' report with which this MD&A is included, that the basic financial statements are fairly stated. The auditors provide varying degrees of assurance regarding the other information included in this report. A user of this report should read the independent auditors' report carefully to determine the level of assurance provided for each of the other parts of this report.

Reporting the Housing Authority's Most Significant Funds

The Housing Authority's financial statements provide detailed information about the most significant funds. Some funds are required to be established by the Department of Housing and Urban Development (HUD). However, the Housing Authority establishes other funds to help it control and manage money for particular purposes, or to show that it is meeting legal responsibilities for using grants and other money.

The Housing Authority's enterprise funds use the following accounting approach for Proprietary funds: All of the Housing Authority's services are reported in enterprise funds. The focus of proprietary funds is on income measurement, which, together with the maintenance of net position, is an important financial indicator.

FINANCIAL ANALYSIS

The Housing Authority's net position was \$2,191,013 as of September 30, 2014. Of this amount, \$2,046,096 was invested in capital assets, and the remaining \$144,917 was unrestricted. No other specific Assets are restricted. Also, there are no other restrictions on general net position.

CONDENSED FINANCIAL STATEMENTS

Condensed Statement of Net Position As of September 30, 2014		
	<u>2014</u>	<u>2013</u>
ASSETS		
Current assets	\$ 515,760	\$ 232,091
Capital assets, net of depreciation	<u>2,046,096</u>	<u>2,146,901</u>
Total assets	<u>2,561,856</u>	<u>2,378,992</u>
DEFERRED OUTFLOWS OF RESOURCES		
Deferred payments to government assistance programs	<u>-</u>	<u>-</u>
LIABILITIES		
Current liabilities	351,833	62,298
Non-current liabilities	<u>19,010</u>	<u>21,550</u>
Total liabilities	<u>370,843</u>	<u>83,848</u>
DEFERRED INFLOWS OF RESOURCES		
Deferred revenues from government assistance programs	<u>-</u>	<u>-</u>
NET POSITION		
Invested in capital assets, net of depreciation	2,046,096	2,146,901
Unrestricted net position	<u>144,917</u>	<u>148,243</u>
Total net position	<u>\$2,191,013</u>	<u>\$2,295,144</u>

CONDENSED FINANCIAL STATEMENTS (Continued)

The net position of these funds decreased by \$104,131, or by 5%, from those of fiscal year 2013, as explained below. In the narrative that follows, the detail factors causing this change are discussed:

Condensed Statement of Revenues, Expenses, and Changes in Fund Net Position Fiscal Year Ended September 30, 2014

	<u>2014</u>	<u>2013</u>
OPERATING REVENUES		
Tenant rental revenue	\$ 277,787	\$ 260,124
Government grants for operations	462,496	385,220
Other tenant revenue	38,554	8,026
Total operating revenues	<u>778,837</u>	<u>653,370</u>
OPERATING EXPENSES		
General	108,308	109,825
Ordinary maintenance and repairs	388,178	301,172
Administrative expenses and management fees	197,871	208,355
Utilities	69,918	56,880
Depreciation	217,880	219,870
Tenant services	330	2,030
Casualty losses	17,434	0
Total operating expenses	<u>999,919</u>	<u>898,132</u>
Income (losses) from operations	<u>(221,082)</u>	<u>(244,762)</u>
NON-OPERATING REVENUES (EXPENSES)		
Interest income	<u>406</u>	<u>312</u>
Income (losses) before capital contributions	(220,676)	(244,450)
CAPITAL CONTRIBUTIONS	<u>116,545</u>	<u>15,442</u>
CHANGES IN NET POSITION	(104,131)	(229,008)
NET POSITION, BEGINNING OF FISCAL YEAR	<u>2,295,144</u>	<u>2,524,152</u>
NET POSITION, END OF FISCAL YEAR	<u><u>\$2,191,013</u></u>	<u><u>\$2,295,144</u></u>

EXPLANATIONS OF FINANCIAL ANALYSIS

Compared with the prior fiscal year, total operating, non-operating revenues, and capital contributions increased \$226,468, or by 34%, from a combination of larger offsetting factors. Reasons for most of this change are listed below:

- Total tenant revenue increased by \$21,204, or by 8%, from that of the prior fiscal year, due to the amount of rent each tenant pays which is based on a sliding scale of their personal income. Some tenants' personal incomes increased, so rent revenue from these tenants increased accordingly, raising the overall total. In addition, other tenant revenues (such as fees collected from tenants for late payment of rent, damages to their units, and other assessments) decreased by \$3,541, or by 45%.
- Federal revenues from HUD for operations increased by \$77,276, or by 20%, from that of the prior fiscal year. The determination of operating grants is based in part upon operations performance of prior years. This amount fluctuates from year-to-year because of the complexities of the funding formula HUD employs. Generally, this formula calculates an allowable expense level adjusted for inflation, occupancy, and other factors, and then uses this final result as a basis for determining the grant amount. The amount of rent subsidy received from HUD depends upon an eligibility scale of each tenant. There was an increase in the number of eligible tenants receiving subsidies, so Housing Assistance Grants in.
- Federal Capital Funds from HUD increased by \$101,103 from that of the prior fiscal year. The Housing Authority was still in the process of completing projects funded from grants by HUD for fiscal years 2012 through 2014, and submitted a new grant during fiscal year 2014.
- Total other operating revenue increased by \$30,528 from that of the prior fiscal year, because the Authority received proceeds from casualty insurance claims, which are recorded as other income by the Authority in the year received.
- Interest income totaling \$406, did not change significantly from the prior to the current year.

Compared with the prior fiscal year, total operating expenses increased \$101,787, or by 11%, but this also was made up of a combination of offsetting factors. Again, reasons for most of this change are listed below:

- Depreciation expense decreased by \$1,990, or by 1%, from that of the prior fiscal year, because existing capital assets are reaching the end of their estimated useful lives.
- Maintenance and repairs increased by \$87,006, or by 29%, from that of the prior fiscal year, due to several factors: Repair staff wages increased by \$10,567, and related employee benefit contributions increased by \$36,564. Also, materials used increased by \$3,396, or by 5%, and contract labor costs increased by \$36,479, or by 42%.
- General Expenses decreased by \$1,511, or by 1%, from that of the prior fiscal year, and payments in lieu of taxes (PILOT) increased by \$463, or by 2%. PILOT is calculated as a percentage of rent minus utilities which, therefore, changed proportionately to the changes in each of these. Insurance premiums decreased by \$4,631, or by 6%, since property and casualty insurance premiums decreased. Lastly, bad debts increased by \$99, or by 30%, and compensated absences increased by \$2,551, or by 19%, from that of the prior fiscal year.
- Administrative Expenses decreased by \$10,484, or by 5%, from that of the prior fiscal year, due to a combination of offsetting factors: Administrative staff salaries increased by \$11,681; however, related employee benefit contributions decreased by \$26,696 therefore, total staff salaries and benefit costs decreased by 9%. In contrast, audit fees increased by \$300, and legal fees increased by \$781; thus, total outside professional fees increased by 10%. Finally, staff training/travel reimbursements increased by \$2,765, office expenses decreased by \$63, and sundry expenses increased by \$748; therefore, other staff administrative expense increased by 13%.

- Utilities Expense increased by \$13,038, or by 23%, from that of the prior fiscal year, due to numerous cumulative factors: Water cost increased by \$8,095, due to an increase in consumption by 41%; electricity cost increased by \$1,852, due to an increase in consumption by 7%; gas cost increased by \$374, due to an increase in consumption by 100%; and finally, other utilities expense (such as labor, benefits, garbage, sewage, and waste removal) increased by \$3,091, or by 11%.
- Lastly, tenant services-other decreased by \$1,700, or by 84%, and casualty losses increased by \$17,434 from that of the prior fiscal year.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

At September 30, 2014, the Housing Authority had a total cost of \$7,812,559 invested in a broad range of assets and construction in progress from projects funded in 2012 through 2014, listed below. This amount, not including depreciation, represents increases of \$69,376 from the prior year. More detailed information about capital assets appears in the notes to the financial statements.

Capital Assets, Net of Accumulated Depreciation As of September 30, 2014

	<u>2014</u>	<u>2013</u>
Land	\$ 154,069	\$ 154,069
Construction in progress	100,094	-
Buildings	1,716,603	1,902,886
Leasehold improvements	70,946	77,618
Furniture and equipment	<u>4,384</u>	<u>12,328</u>
Total	<u>\$2,046,096</u>	<u>\$2,146,901</u>

As of the end of the 2014 fiscal year, the Authority is still in the process of completing HUD grants of \$501,572 obtained during 2012 through 2014 fiscal years. A total remainder of \$120,667 will be received and \$165,647 will be spent for completing these projects during fiscal year 2015.

Debt

Non-current liabilities also include accrued annual vacation and sick leave due to employees. The Housing Authority has not incurred any mortgages, leases, or bond indentures for financing capital assets or operations.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

The Housing Authority is primarily dependent upon HUD for the funding of operations; therefore, the Housing Authority is affected more by Federal budget than by local economic conditions. The capital budgets for the 2015 fiscal year have already been submitted to HUD for approval and no major changes are expected.

The Capital fund programs are multiple year budgets and have remained relatively stable. Capital Funds are used for the modernization of public housing properties including administrative fees involved in the modernization.

CONTACTING THE HOUSING AUTHORITY'S FINANCIAL MANAGEMENT

Our financial report is designed to provide our citizens, investors, and creditors with a general overview of the Housing Authority's finances, and to show the Housing Authority's accountability for the money it receives. If you have questions about this report, or wish to request additional financial information, contact Jerry Bell, at Public Housing Authority of Lake Providence, Louisiana; 226 Foster; Lake Providence, LA 71254.

HOUSING AUTHORITY OF LAKE PROVIDENCE, LOUISIANA
STATEMENT OF NET POSITION

SEPTEMBER 30, 2014

ASSETS

Current assets

Cash and cash equivalents	\$ 368,677
Investments	72,506
Accounts receivable net	3,488
Prepaid items and other assets	48,473
Inventory	3,472
Restricted assets - cash and cash equivalents	19,144

Total Current Assets	515,760
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Capital Assets, net

Land and other non-depreciated assets	254,162
Other capital assets - net of depreciation	1,791,934

Total Capital Assets, net	2,046,096
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Total Assets	\$ 2,561,856
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LIABILITIES

Current Liabilities

Accounts payable	\$ 15,595
Unearned income	286,864
Compensated absences payable	9,443
Accrued PILOT	20,787
Deposits due others	19,144

Total Current Liabilities	351,833
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Noncurrent Liabilities

Compensated absences payable	19,010
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Total Liabilities	370,843
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NET POSITION

Net investment in capital assets	2,046,096
Unrestricted	144,917

Net Position	2,191,013
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The Notes to the Financial Statements are an integral part of these statements.

HOUSING AUTHORITY OF LAKE PROVIDENCE, LOUISIANA
STATEMENT OF REVENUES,
EXPENSES AND CHANGES IN FUND NET POSITION

YEAR ENDED SEPTEMBER 30, 2014

OPERATING REVENUES

Dwelling rental	\$ 277,787
Governmental operating grants	462,496
Other	38,554
	<hr/>
Total Operating Revenues	778,837
	<hr/>

OPERATING EXPENSES

Administration	197,871
Tenant services	330
Utilities	69,918
Ordinary maintenance & operations	388,178
General expenses	108,308
Depreciation	217,880
Casualty losses	17,434
	<hr/>
Total Operating Expenses	999,919
	<hr/>

Income (Loss) from Operations	(221,082)
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Non Operating Revenues (Expenses)

Interest earnings	406
	<hr/>
Total Non-Operating Revenues (Expenses)	406
	<hr/>

Income (Loss) before contribution	(220,676)
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Capital Contribution	116,545
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Change in net position	(104,131)
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Total net position - beginning	2,295,144
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Total net position - ending	\$ 2,191,013
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The Notes to the Financial Statements are an integral part of these statements.

**HOUSING AUTHORITY OF LAKE PROVIDENCE, LOUISIANA
STATEMENT OF CASH FLOWS**

YEAR ENDED SEPTEMBER 30, 2014

**CASH FLOWS FROM
OPERATING ACTIVITIES**

Rental receipts	\$ 561,815
Other receipts	39,349
Federal grants	462,777
Payments to vendors	(427,760)
Payments to employees – net	(361,050)
	<hr/>
Net cash provided (used) by operating activities	275,131
	<hr/>

**CASH FLOWS FROM CAPITAL AND
RELATED FINANCING ACTIVITIES**

Purchase of capital assets	(117,075)
Federal Capital Grants	116,545
	<hr/>
Net cash provided (used) by capital and related financing activities	(530)
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**CASH FLOWS FROM INVESTING
ACTIVITIES**

Interest income	406
Purchase of investments	(112)
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Net cash provided (used) by investing activities	294
	<hr/>

**NET INCREASE (DECREASE) IN
CASH AND CASH EQUIVALENTS**

274,895

CASH AND CASH EQUIVALENTS

Beginning of Fiscal Year	112,926
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CASH AND CASH EQUIVALENTS

End of Fiscal Year	\$ 387,821
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Continued

HOUSING AUTHORITY OF LAKE PROVIDENCE, LOUISIANA
STATEMENT OF CASH FLOWS

YEAR ENDED SEPTEMBER 30, 2014

**RECONCILIATION OF OPERATING
INCOME (LOSS) TO NET CASH
PROVIDED (USED) BY OPERATING
ACTIVITIES**

Operating income (loss)	\$ (221,082)
Adjustment to reconcile operating income (loss) to net cash provided (used) by operating activities:	
Depreciation Expense	217,880
Provision of uncollectible accounts	484
Change in assets and liabilities:	
Receivables	(1,643)
Inventories	(1,146)
Prepaid items	(6,357)
Account payables	248
Unearned income	285,952
Deposits due others	332
Accrued PILOT	463
Net cash provided (used) by operations	\$ <u>275,131</u>

Concluded

The Notes to the Financial Statements are an integral part of these statements.

HOUSING AUTHORITY OF LAKE PROVIDENCE, LOUISIANA
NOTES TO THE BASIC FINANCIAL STATEMENTS

SEPTEMBER 30, 2014

INDEX

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES	16
A. REPORTING ENTITY	16
B. FUNDS	17
C. MEASUREMENT FOCUS AND BASIS OF ACCOUNTING	17
D. CASH AND CASH EQUIVALENTS.....	18
E. INVESTMENTS.....	18
F. REVENUE RECOGNITION	18
G. INVENTORY	18
H. PREPAID ITEMS.....	18
I. CAPITAL ASSETS	19
J. UNEARNED INCOME.....	19
K. COMPENSATED ABSENCES	19
L. POST EMPLOYMENT BENEFITS	19
M. NET POSITION AND FLOW ASSUMPTIONS.....	19
N. USE OF ESTIMATES.....	20
NOTE 2 – DEPOSITS AND INVESTMENTS.....	20
NOTE 3 – ACCOUNTS RECEIVABLE	21
NOTE 4 – CAPITAL ASSETS	21
NOTE 5 – ACCOUNTS PAYABLE.....	22
NOTE 6 – COMPENSATED ABSENCES.....	22
NOTE 7 – LONG – TERM OBLIGATIONS.....	22
NOTE 8 – RETIREMENT SYSTEM.....	23
NOTE 9 – COMMITMENTS AND CONTINGENCIES	23
NOTE 10 – ECONOMIC DEPENDENCE	24
NOTE 11 – SUBSEQUENT EVENTS	24

HOUSING AUTHORITY OF LAKE PROVIDENCE, LOUISIANA
NOTES TO THE BASIC FINANCIAL STATEMENTS

SEPTEMBER 30, 2014

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES The accompanying financial statements of the Housing Authority of the Town of Lake Providence have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

A. REPORTING ENTITY Housing Authorities are chartered as public corporations under the laws (LSA – R.S. 40.391) of the State of Louisiana for the purpose of providing safe and sanitary dwellings accommodations. This creation was contingent upon the local governing body of the city or parish declaring a need for the Housing Authority to function in such city or parish. The Housing Authority is governed by a five member Board of Commissioners. The members, appointed by the Honorable Mayor of the Town of Lake Providence, serve staggered multi-year terms.

The Housing Authority has the following units:

PHA Owned Housing	FW 1099	150
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GASB Statement 14 establishes criteria for determining the governmental reporting entity and component units that should be included within the reporting entity. Under provisions of this Statement, the Housing Authority is considered a primary government, since it is a special purpose government that has a separate governing body, is legally separate, and is fiscally independent of other state or local governments. As used in GASB Statement 14, fiscally independent means that the Housing Authority may, without the approval or consent of another governmental entity, determine or modify its own budget, levy its own taxes or set rates or charges, and issue bonded debt with HUD approval.

The Housing Authority is a related organization of the Town of Lake Providence since the Town of Lake Providence appoints a voting majority of the Housing Authority's governing board. The Town of Lake Providence is not financially accountable for the Housing Authority as it cannot impose its will on the Housing Authority and there is no potential for the Housing Authority to provide financial benefit to, or impose financial burdens on, the Town of Lake Providence. Accordingly, the Housing Authority is not a component unit of the financial reporting entity of the Town of Lake Providence.

Governmental Accounting Standards Board (GASB) Codification Section 2100 establishes criteria for determining which, if any, component units should be considered part of the Housing Authority for financial reporting purposes. The basic criteria for including a potential component unit within the reporting entity is financial accountability. The GASB has set forth criteria to be considered in determining financial accountability, which includes:

HOUSING AUTHORITY OF LAKE PROVIDENCE, LOUISIANA
NOTES TO THE BASIC FINANCIAL STATEMENTS

SEPTEMBER 30, 2014

- 1) Appointing a voting majority of an organization's governing body, and:
 - a) The ability of the government to impose its will on that organization and/or
 - b) The potential for the organization to provide specific financial benefits to or impose specific financial burdens on the government.
- 2) Organizations for which the government does not appoint a voting majority but are fiscally dependent on the government.
- 3) Organizations for which the reporting entity financial statements would be misleading if data of the organization is not included because of the nature or significance of the relationship.

Based on the previous criteria, the Housing Authority has determined that there are no component units that should be considered as part of the Housing Authority reporting entity.

B. FUNDS The accounts of the Housing Authority are organized and operated on the basis of funds. A fund is an independent fiscal and accounting entity with a self-balancing set of accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. The minimum number of funds are maintained consistent with legal and managerial requirements.

The transactions of the Housing Authority are reported in a proprietary enterprise fund. The general fund accounts for the transactions of the Public Housing Low Rent program and the Capital Fund program.

C. MEASUREMENT FOCUS AND BASIS OF ACCOUNTING

PROPRIETARY FUNDS Proprietary funds are accounted for on the flow of economic resources measurement focus and the accrual basis of accounting. Under this method, revenues are recorded when earned and expenses are recorded at the time the liabilities are incurred. With this measurement focus, all assets and all liabilities associated with the operation of these funds are included on the statement of net position.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary funds' principal ongoing operations. According to the Authority's policy, governmental operating grants are considered operating revenues. The other principal operating revenues of the Housing Authority are rent and maintenance charges to residents and operating fees earned. Operating expenses for proprietary funds include the administrative costs of providing the service. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

HOUSING AUTHORITY OF LAKE PROVIDENCE, LOUISIANA
NOTES TO THE BASIC FINANCIAL STATEMENTS

SEPTEMBER 30, 2014

D. CASH AND CASH EQUIVALENTS Cash includes amounts in demand deposits and interest-bearing demand deposits. Cash equivalents include amounts in time deposits, of less than ninety days, and cash with fiscal agent. Under state law, the Housing Authority may deposit funds in demand deposits, interest-bearing demand deposits, money market accounts, or time deposits with state banks organized under Louisiana law and national banks having their principal offices in Louisiana.

On the Statement of Cash Flows, cash and cash equivalents, end of year, is \$387,821. This is comprised of cash and cash equivalents of \$368,677 and restricted assets – cash of \$19,144, on the statement of net position.

E. INVESTMENTS Investments are limited to L.S.-R.S. 33:2955 and the Housing Authority investment policy. If the original maturities of investments exceed 90 days, they are classified as investments; however, if the original maturities are 90 days or less, they are classified as cash equivalents.

The investments are reflected at quoted market prices except for the following which are required/permitted as per GASB Statement No. 31:

Investments in *nonparticipating* interest-earning contracts, such as nonnegotiable certificates of deposit with redemption terms that do not consider market rates, are reported using a cost-based measure.

Definitions:

Interest-earning investment contract include time deposits with financial institutions (such as certificates of deposit), repurchase agreements, and guaranteed investment contracts.

F. REVENUE RECOGNITION Revenues and other governmental fund financial resource increments are recognized in the accounting period in which they become susceptible to accrual – that is, when they become *measurable* and *available* to the finance expenditures of the fiscal period. “Available” is determined as collectible within the 12 months of the fiscal year or soon enough thereafter to be used in pay liabilities of the current period.

G. INVENTORY All purchased inventory items are valued at cost using the first-in, first-out method. Inventory is recorded using the purchase method. At year end, the amount of inventory is recorded for external financial reporting.

H. PREPAID ITEMS Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items.

HOUSING AUTHORITY OF LAKE PROVIDENCE, LOUISIANA
NOTES TO THE BASIC FINANCIAL STATEMENTS

SEPTEMBER 30, 2014

I. CAPITAL ASSETS Capital assets are recorded at historical cost and depreciated over their estimated useful lives (excluding salvage value). The capitalization threshold is \$500. Donated capital assets are recorded at their estimated fair value at the date of donation. Estimated useful live is management's estimate of how long the asset is expected to meet service demands. Straight line depreciation is used based on the following estimated useful lives:

Site improvements	15 years
Buildings	33 years
Building improvements	15 years
Furniture and equipment	5-7 years
Computers	3 years

J. UNEARNED INCOME The Housing Authority reports prepaid revenues on its statement of net position. Prepaid revenues arise when resources are received by the Housing Authority before it has a legal claim to them, as when grant monies are received prior to the occurrence of qualifying expenditures. In subsequent periods, when the Housing Authority has a legal claim to the resources, the liability for prepaid revenue is removed from the statement of net position and the revenue is recognized.

K. COMPENSATED ABSENCES The Housing Authority follows Louisiana Civil Service regulations for accumulated annual and sick leave. Employees may accumulate up to three hundred hours of annual leave which may be received upon termination or retirement. Sick leave hours accumulate, but the employee is not paid for them if not used by his/her retirement or termination date.

L. POST EMPLOYMENT BENEFITS The Authority does not recognize or pay any post employment benefits. Accordingly, Governmental Accounting Standards Board (GASB) Statement Number 45 does not apply.

M. NET POSITION AND FLOW ASSUMPTIONS Net position is reported as restricted when constraints placed on net position use as either:

Externally imposed by creditors (such as debt covenants), grantors, contributors, or laws or regulations of other governments or imposed by law through constitutional provisions or enabling legislation.

Sometime the Authority may fund outlays from both restricted and unrestricted resources. In the event that should occur, the Authority must make a flow assumption about the order in which the resources are considered to be applied. It is the Authority's policy to consider restricted-net position to have been depleted before unrestricted-net position is applied.

HOUSING AUTHORITY OF LAKE PROVIDENCE, LOUISIANA
NOTES TO THE BASIC FINANCIAL STATEMENTS

SEPTEMBER 30, 2014

N. USE OF ESTIMATES The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues, expenses and other financing sources and uses during the reporting period. Actual results could differ from those estimates.

NOTE 2 – DEPOSITS AND INVESTMENTS The Housing Authority has reported their investments with a maturity at time of purchase of one year or less at amortized cost. Investments with maturity at time of purchase of greater than one year are presented at fair value at September 30, 2014. Deposits are stated at cost, which approximates fair value.

Interest Rate Risk: The Housing Authority's policy does not address interest rate risk.

Credit Rate Risk: GASB 40 disclosure of credit rate risk does not apply, since the Authority's only investments are certificates of deposit.

Custodial Credit Risk: The Authority's policy requires the financial institution to cover the first \$250,000 of deposits with FDIC coverage. Any excess deposits must be collateralized with securities held by the pledging financial institution, with a fair market value that equals or exceeds the amount of excess deposits.

Restricted Cash: \$19,144 is restricted in the General Fund for security deposits

At September 30, 2014, the Housing Authority's carrying amount of deposits was \$460,252 and the bank balance was \$480,964, which includes \$72,506 in certificates of deposits classified as investments. Petty cash consists of \$75. \$266,914 of the bank balance was covered by FDIC Insurance. The remaining bank balance of \$214,050 was covered by pledged securities. However, this \$214,050 was exposed to custodial credit risk, as defined by GASBS No. 40, para. 8, because it was uninsured and collateralized with securities held by the pledging financial institution's trust department or agent but not in the Housing Authority's name.

Even though the pledged securities are considered uncollateralized (Category 3) under the provisions of GASB Statement 40, Louisiana Revised Statute 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within ten days of being notified by the Housing Authority that the fiscal agent has failed to pay deposited funds upon demand. Investments during the year were solely in time deposits at banks.

HOUSING AUTHORITY OF LAKE PROVIDENCE, LOUISIANA
NOTES TO THE BASIC FINANCIAL STATEMENTS

SEPTEMBER 30, 2014

NOTE 3 – ACCOUNTS RECEIVABLE The receivables at September 30, 2014, are as follows:

<u>Class of Receivables</u>	
Local sources:	
Tenants	\$ 3,461
Federal sources:	
Grants	27
Total	<u>\$ 3,488</u>

The tenants account receivable is net of an allowance for doubtful accounts of \$2,510.

NOTE 4 – CAPITAL ASSETS The changes in capital assets are as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>
Non-depreciable assets				
Land	\$ 154,069	\$ 0	\$ 0	\$ 154,069
Construction in progress	0	100,093	0	100,093
Depreciable assets:				
Buildings	7,317,669	15,277	44,798	7,288,148
Furniture and equipment	271,445	1,705	2,901	270,249
Total capital assets	<u>7,743,183</u>	<u>117,075</u>	<u>47,699</u>	<u>7,812,559</u>
Less: accumulated depreciation				
Buildings	5,336,840	208,335	44,798	5,500,377
Furniture and equipment	259,442	9,545	2,901	266,086
Total accumulated deprecation	<u>5,596,282</u>	<u>217,880</u>	<u>47,699</u>	<u>5,766,463</u>
Total capital assets, net	<u>\$ 2,146,901</u>	<u>\$ (100,805)</u>	<u>\$ 0</u>	<u>\$ 2,046,096</u>

HOUSING AUTHORITY OF LAKE PROVIDENCE, LOUISIANA
NOTES TO THE BASIC FINANCIAL STATEMENTS

SEPTEMBER 30, 2014

NOTE 5 – ACCOUNTS PAYABLE The payables at September 30, 2014 are as follows:

Vendors	\$	7,277
Payroll taxes & Retirement withheld		2,383
Utilities		5,935
Total	\$	<u>15,595</u>

NOTE 6 – COMPENSATED ABSENCES At September 30, 2014, employees of the Housing Authority have accumulated and vested \$28,453 of employee leave computed in accordance with GASB, Codification Section C60.

NOTE 7 – LONG-TERM OBLIGATIONS The following is a summary of the long-term obligation transactions for the year ended September 30, 2014.

		Compensated Absences
Balance, beginning	\$	<u>30,153</u>
Additions		16,972
Deletions		18,672
Balance, ending		<u>28,453</u>
Amounts due in one year	\$	<u>9,443</u>

HOUSING AUTHORITY OF LAKE PROVIDENCE, LOUISIANA
NOTES TO THE BASIC FINANCIAL STATEMENTS

SEPTEMBER 30, 2014

NOTE 8 – RETIREMENT SYSTEM The Housing Authority participates in the Housing Agency Retirement Trust, which is a defined contribution plan. The plan consists of employees of various local and regional housing authorities, urban renewal agencies, and other similar organizations. Through this plan, the Housing Authority provides pension benefits for all of its full-time employees. All full-time employees are eligible to participate in the plan on the first day of the year after completing one year of continuous and uninterrupted employment.

Under a defined contribution plan, benefits depend solely on amounts contributed to the plan plus investment earnings. Each participant in the plan is required to make a monthly contribution equal to 5% of his effective compensation, and may make additional contributions up to 2½% of his effective compensation. The employer is required to make monthly contributions equal to 5% of each participant's effective compensation.

The Housing Authority's contribution for each employee and income allocated to the employee's account is fully vested after five years of continuous service. The Housing Authority's contributions and interest forfeited by employees who leave employment before five years of service are used to offset future contributions of the Housing Authority.

The Housing Authority has the right to establish or amend retirement plan provisions. The Housing Authority's Joinder Agreement with the Housing Agency Retirement Trust may be amended or modified by Board Resolution. Amendment of the Joinder Agreement is limited to provisions affecting plan specifications.

The Housing Authority made the required contributions of \$34,335 for the year ended September 30, 2014, of which \$16,036 was paid by the Housing Authority and \$18,299 was paid by employees. No payments were made out of the forfeiture account.

NOTE 9 – COMMITMENTS AND CONTINGENCIES

Commitments The Authority entered into an Employment Agreement with the Executive Director, effective November 16, 2010. The Agreement is for five years, and renews automatically for an additional year, at the end of each year, unless the Authority gives written notice of termination to the Executive Director at least sixty days prior to the end of the Agreement.

The Agreement may be terminated by the Authority for cause, at any time, as long as due process is followed. If the Executive Director is terminated without cause, the Authority is obligated to pay a lump sum equal to the salary and benefits he would have received for the remainder of the five year term. If the Executive Director leaves for any reason, the Authority is obligated to pay all unused but earned annual leave, in accordance with the Personnel Policy.

Litigation The Housing Authority is presently involved in litigation. Management believes the Authority will win. In any event, insurance should cover any loss.

HOUSING AUTHORITY OF LAKE PROVIDENCE, LOUISIANA
NOTES TO THE BASIC FINANCIAL STATEMENTS

SEPTEMBER 30, 2014

Grant Disallowances The Housing Authority participates in a number of federally assisted grant programs. The programs are subject to compliance audits under the single audit approach. Such audits could lead to requests for reimbursement by the grantor agency for expenditures disallowed under terms of the grants. Housing Authority management believes that the amount of disallowance, if any, which may arise from future audits will not be material.

Construction Projects There are certain renovation or construction projects in progress at September 30, 2014. These include modernizing rental units. These projects are being funded by HUD. Funds are requested periodically as the cost is incurred

Risk Management The Housing Authority is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters for which the Housing Authority carries commercial insurance.

The Housing Authority transfers risk of loss by participating in a public entity risk pool and contracting with a commercial insurance carrier for all major categories of exposed risk.

This includes coverage of public liability and worker's compensation. The risk pool and insurance contracted are obligated to meet settlements up to the maximum coverage, after the PHA's premiums and deductions are met.

Louisiana State law prohibits one governmental entity assessing another entity. If the Louisiana Housing Council Group Self Insured Fund (LHC) risk pool is unable to meet its obligations, the risk to the Housing Authority is only that it s own claim would be unpaid.

Coverage has not significantly changed from the previous year and settlements for each of the past three years have not exceeded insurance coverage.

NOTE 10 – ECONOMIC DEPENDENCE The Department of Housing and Urban Development provided \$579,041 to the Housing Authority, which represents approximately 65% of the Housing Authority's total revenue and capital contributions for the year.

NOTE 11 - SUBSEQUENT EVENTS Management has evaluated events and transactions subsequent to the statement of net assets sheet date through the date of the independent auditor's report, March 30, 2015, for potential recognition or disclosure in the financial statements. Management has not identified any items requiring recognition or disclosure.

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Report on Internal Control Over Financial Reporting and on Compliance and
Other Matters Based on an Audit of Financial Statements Performed in
Accordance with *Government Auditing Standards*

Independent Auditor's Report

Housing Authority of Lake Providence
Lake Providence, Louisiana

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the Housing Authority of the Town of Lake Providence, Louisiana, as of and for the year ended September 30, 2014, and the related notes to the financial statements, which collectively comprise the Housing Authority of the Town of Lake Providence, Louisiana's basic financial statements, and have issued our report thereon dated March 30, 2015.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Housing Authority of the Town of Lake Providence, Louisiana's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Housing Authority of the Town of Lake Providence, Louisiana's internal control. Accordingly, we do not express an opinion on the effectiveness of the Housing Authority of the Town of Lake Providence, Louisiana's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses, or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Housing Authority of the Town of Lake Providence, Louisiana's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

We noted certain matters that we reported to management of the Housing Authority of the Town of Lake Providence in a separate letter dated March 30, 2015.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Mike Estes, P.C.
Fort Worth, Texas
March 30, 2015

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Report on Compliance For Each Major Federal Program; Report on Internal
Control Over Compliance; and Report on the Schedule of Expenditures of
Federal Awards Required by OMB Circular A-133

Independent Auditor's Report

Housing Authority of Lake Providence
Lake Providence, Louisiana

Report on Compliance for Each Major Federal Program

We have audited the Housing Authority of the Town of Lake Providence, Louisiana's compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of the Housing Authority of the Town of Lake Providence, Louisiana's major federal programs for the year ended September 30, 2014. The Housing Authority of the Town of Lake Providence, Louisiana's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the Housing Authority of the Town of Lake Providence, Louisiana's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Housing Authority of the Town of Lake Providence, Louisiana's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the Housing Authority of the Town of Lake Providence, Louisiana's compliance.

Opinion on Each Major Federal Program

In our opinion, the Housing Authority of the Town of Lake Providence, Louisiana complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended September 30, 2014.

Other Matters

The results of our auditing procedures disclosed an instance of noncompliance, which is required to be reported in accordance with OMB Circular A-133 and which are described in the accompanying schedule of findings and questioned costs as item 2014 – 001. Our opinion on each major federal program is not modified with respect to these matters.

The Housing Authority of the Town of Lake Providence, Louisiana's response to the noncompliance findings identified in our audit are described in the accompanying schedule of findings and questioned costs and the corrective action plan. The Housing Authority of the Town of Lake Providence, Louisiana's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

Report on Internal Control Over Compliance

Management of the Housing Authority of the Town of Lake Providence, Louisiana is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the Housing Authority of the Town of Lake Providence, Louisiana's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Housing Authority of Lake Providence, Louisiana's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, we identified certain deficiencies in internal control over compliance, as described in the accompanying schedule of findings and questioned costs as item 2014 – 001 that we consider to be a significant deficiency.

The Housing Authority of the Town of Lake Providence, Louisiana's response to the internal control over compliance finding identified in our audit is described in the accompanying schedule of findings and questioned costs and the corrective action plan. The Housing Authority of the Town of Lake Providence, Louisiana's response was not subjected to the auditing procedures applied in the audit of compliance, and, accordingly, we express no opinion on the response.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

Report on Schedule of Expenditures of Federal Awards Required by OMB Circular A-133

We have audited the financial statements of Housing Authority of the Town of Lake Providence, Louisiana as of and for the year ended September 30, 2014, and have issued our report thereon dated March 30, 2015, which contained an unmodified opinion on those financial statements. Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by OMB Circular A-133 and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditure of federal awards is fairly stated in all material respects in relation to the financial statements as a whole.

Mike Estes, P.C.
Fort Worth, Texas
March 30, 2015

HOUSING AUTHORITY OF LAKE PROVIDENCE, LOUISIANA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

YEAR ENDED SEPTEMBER 30, 2014

FEDERAL GRANTOR PROGRAM TITLE	CDFA NO.	PROGRAM EXPENDITURES
U. S. Department of Housing and Urban Development Direct Programs:		
Low-Income Housing Operating Subsidy	14.850a	\$ 410,799
Capital Fund Program	14.872	168,242
		<hr/>
Total United States Department of Housing and Urban Development		\$ 579,041
		<hr/>
Total Expenditures of Federal Awards		\$ 579,041
		<hr/> <hr/>

HOUSING AUTHORITY OF LAKE PROVIDENCE, LOUISIANA
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

YEAR ENDED SEPTEMBER 30, 2014

NOTE 1 – GENERAL The accompanying Schedule of Expenditures of Federal Awards presents the activity of all federal awards programs of the Housing Authority of the Town of Lake Providence, Louisiana (the “Housing Authority”). The Housing Authority reporting entity is defined in note 1(A) to the Housing Authority’s basic financial statements. Federal awards received directly from federal agencies, as well as federal awards passed through other government agencies, are included on the schedule.

NOTE 2 – BASIS OF ACCOUNTING The accompanying Schedule of Expenditures of Federal Awards is presented using the accrual basis of accounting, which is described in note 1(C) to the Housing Authority’s basic financial statements.

NOTE 3 - RELATIONSHIP TO BASIC FINANCIAL STATEMENTS Federal awards revenues are reported in the Housing Authority’s basic financial statements as follows:

	<u>Federal Sources</u>
Enterprise Funds	
Governmental operating grants	\$ 462,496
Capital contributions	116,545
	<hr/>
Total	\$ 579,041
	<hr/> <hr/>

NOTE 4 – RELATIONSHIP TO FEDERAL FINANCIAL REPORTS Amounts reported in the accompanying schedule agree with the amounts reported in the related federal financial reports except for changes made to reflect amounts in accordance with generally accepted accounting principles.

HOUSING AUTHORITY OF LAKE PROVIDENCE, LOUISIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

YEAR ENDED SEPTEMBER 30, 2014

Section I – Summary of the Auditor's Results

Financial Statement Audit

1. Type of Auditor's Report Issued on Financial Statements – Unqualified.
2. Internal Control Over Financial Reporting:
 - a. Material weakness(es) identified? _____ yes ✓ no
 - b. Significant deficiency(ies) identified? _____ yes ✓ none reported
3. Noncompliance material to financial statements noted? _____ yes ✓ no

Audit of Federal Awards

1. Internal Control Over Major Programs:
 - a. Material weakness(es) identified? _____ yes ✓ no
 - b. Significant deficiency(ies) identified that are not considered to be material weaknesses? ✓ yes _____ none reported
2. Type of Auditor's Report Issued on Compliance For Major Programs – Unqualified.
3. Any audit findings disclosed that are required to be reported in accordance with Section 510(a) of Circular A-133? ✓ yes _____ no
4. The programs tested as major programs include:

CFDA# 14.850 Public and Indian Housing – Low Rent Program
5. Dollar threshold used to distinguish between Type A and Type B Programs: \$300,000
6. Auditee qualified as low-risk auditee? _____ yes ✓ no

HOUSING AUTHORITY OF LAKE PROVIDENCE, LOUISIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

YEAR ENDED SEPTEMBER 30, 2014

Section II – Findings related to the financial statements which are required to be reported in accordance with Governmental Auditing Standards generally accepted in the United States of America:

None

HOUSING AUTHORITY OF LAKE PROVIDENCE, LOUISIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

YEAR ENDED SEPTEMBER 30, 2014

Section III – Findings and questioned costs for federal awards which are required to be reported under OMB Circular No. A-133 Section .510 (a):

Low Rent Program

2014 – 001 – Timely Utility Allowance Review Not Done – Special Tests

Statement of Condition

The Authority did not perform a utility allowance review during the audit year.

Criteria

Federal regulations require that the utility allowances be reviewed annually. If any category changes more than 10% since the last allowance revision, the allowance revision, the allowance should be changed.

Effect

Utility allowance may not have been what they should have been.

Cause

Apparently the cause was an oversight.

Questioned Cost

None

Recommendation

The utility allowances should be reviewed every year, and revised if necessary.

HOUSING AUTHORITY OF LAKE PROVIDENCE, LOUISIANA
CORRECTIVE ACTION PLAN

YEAR ENDED SEPTEMBER 30, 2014

1. Corrective Action Plan Finding 2014 – 001 – Monitoring of the Capital Fund Needs Improvement

Contact person – Executive Director.

Corrective action planned –

I am Jerry Bell, Executive Director. We will do as the auditor suggests. An independent review if currently in process.

Anticipated completion date – We plan to have new allowances into effect, if needed, by September 1, 2015.

HOUSING AUTHORITY OF LAKE PROVIDENCE, LOUISIANA
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

YEAR ENDED SEPTEMBER 30, 2014

The following prior audit findings were required to be reported under OMB Circular No. A-133, Section 510(a) (for the major program) for the prior year:

There were no prior audit findings.

SEE MANAGEMENT LETTER ON NEXT PAGE

HOUSING AUTHORITY OF LAKE PROVIDENCE, LOUISIANA
SCHEDULE OF MANAGEMENT LETTER ITEMS

YEAR ENDED SEPTEMBER 30, 2014

To Management and the Board of Commissioners:

In planning and performing our audit of the financial statements of the Housing Authority of the Town of Lake Providence for the year ended September 30, 2014, we considered the Authority's internal controls in order to determine our auditing procedures for the purpose of expressing an opinion on the financial statements and not to provide assurance on internal controls.

However, during our audit we became aware of matters that are opportunities for strengthening internal controls and operating efficiency. The memorandum contained in this letter summarizes our comments and suggestions regarding those matters. (We have also reported on the Authority's internal control in our report dated March 30, 2015.) This letter does not affect our report dated March 30, 2015 on the financial statements of the Housing Authority of the Town of Lake Providence.

The status of these comments will be reviewed during the next audit engagement. We have already discussed these comments and suggestions with various authority personnel, and we will be pleased to discuss them in further detail at your convenience, to perform additional study of these matters, or to assist you in implementing the recommendations.

Our recommendations are as follows:

2014 – M1– Minutes.

Recommendation

Due to a lack of a quorum, several called monthly board meetings were cancelled. Management should attempt to do whatever is necessary to have regular monthly board meetings, so that the board monitoring and approvals needed are timely done. The board minutes and resolutions should be signed with approving signatures and the seal.

Corrective Action Plan

We are in the process of appointing new board members. When this process is completed, we will have monthly board meetings.

HOUSING AUTHORITY OF LAKE PROVIDENCE, LOUISIANA
SCHEDULE OF PRIOR YEAR MANAGEMENT LETTER ITEMS

YEAR ENDED SEPTEMBER 30, 2014

To Management and the Board of Commissioners:

In planning and performing our audit of the financial statements of the Housing Authority of the Town of Lake Providence for the year ended September 30, 2014, we considered the Authority's internal controls in order to determine our auditing procedures for the purpose of expressing an opinion on the financial statements and not to provide assurance on internal controls.

However, during our audit we became aware of matters that are opportunities for strengthening internal controls and operating efficiency. The memorandum contained in this letter summarizes our comments and suggestions regarding those matters. (We have also reported on the Authority's internal control in our report dated March 30, 2015.) This letter does not affect our report dated March 30, 2015 on the financial statements of the Housing Authority of the Town of Lake Providence.

The status of these comments will be reviewed during the next audit engagement. We have already discussed these comments and suggestions with various authority personnel, and we will be pleased to discuss them in further detail at your convenience, to perform additional study of these matters, or to assist you in implementing the recommendations.

Our recommendations were as follows:

2013-M1 – We noted that a payment due of \$3,481.78 was paid twice to the same vendor.

Recommendation

We recommended that the Authority should utilize the controls in place to ensure that duplicate payments do not re-occur.

Corrective Action Plan

No duplicate payments were noted in the current year. This recommendation is not repeated.

SUPPLEMENTARY INFORMATION

HOUSING AUTHORITY OF LAKE PROVIDENCE, LOUISIANA
STATEMENT OF MODERNIZATION COSTS - UNCOMPLETED

YEAR ENDED SEPTEMBER 30, 2014

CASH BASIS

	2012 Capital Fund	2013 Capital Fund	2014 Capital Fund
	<u> </u>	<u> </u>	<u> </u>
Funds approved	\$ 169,574	\$ 162,931	\$ 169,067
Funds expended	168,780	108,080	59,065
	<u> </u>	<u> </u>	<u> </u>
Excess of funds approved	\$ 794	\$ 54,851	\$ 110,002
	<u> </u>	<u> </u>	<u> </u>
 Funds advanced	 \$ 168,751	 \$ 146,932	 \$ 75,259
Funds expended	168,780	108,080	59,065
	<u> </u>	<u> </u>	<u> </u>
Excess (Deficiency) of funds	\$ (29)	\$ 38,852	\$ 16,194
	<u> </u>	<u> </u>	<u> </u>

HOUSING AUTHORITY OF LAKE PROVIDENCE, LOUISIANA
 SCHEDULE OF COMPENSATION, BENEFITS AND OTHER PAYMENTS TO AGENCY HEAD
 OR CHIEF EXECUTIVE DIRECTOR

YEAR ENDED SEPTEMBER 30, 2014

Agency Head Name: Jerry Bell, Executive Director.

Purpose	Amount
Salary	\$ 71,464
Benefits-insurance	8,215
Benefits-retirement	4,638
Benefits-<list any other here>	0.00
Car allowance	0.00
Vehicle provided by government	0.00
Per diem	1,100
Reimbursements	0.00
Travel	0.00
Registration fees	950
Conference travel	0.00
Continuing professional education fees	0.00
Housing	2,101
Unvouchered expenses*	0.00
Special meals	0.00
Total	\$ 88,468

HOUSING AUTHORITY OF LAKE PROVIDENCE, LOUISIANA
FINANCIAL DATA SCHEDULES

YEAR ENDED SEPTEMBER 30, 2014

Entity Wide Balance Sheet Summary		
	Project Total	Total
111 Cash - Unrestricted	\$368,677	\$368,677
112 Cash - Restricted - Modernization and Development	\$0	\$0
113 Cash - Other Restricted	\$0	\$0
114 Cash - Tenant Security Deposits	\$19,144	\$19,144
115 Cash - Restricted for Payment of Current Liabilities	\$0	\$0
100 Total Cash	\$387,821	\$387,821
121 Accounts Receivable - PHA Projects	\$0	\$0
122 Accounts Receivable - HUD Other Projects	\$27	\$27
124 Accounts Receivable - Other Government	\$0	\$0
125 Accounts Receivable - Miscellaneous		
126 Accounts Receivable - Tenants	\$5,971	\$5,971
126.1 Allowance for Doubtful Accounts - Tenants	-\$2,510	-\$2,510
126.2 Allowance for Doubtful Accounts - Other	\$0	\$0
127 Notes, Loans, & Mortgages Receivable - Current	\$0	\$0
128 Fraud Recovery	\$0	\$0
128.1 Allowance for Doubtful Accounts - Fraud	\$0	\$0
129 Accrued Interest Receivable	\$0	\$0
120 Total Receivables, Net of Allowances for Doubtful Accounts	\$3,488	\$3,488
131 Investments - Unrestricted	\$72,506	\$72,506
132 Investments - Restricted	\$0	\$0
135 Investments - Restricted for Payment of Current Liability	\$0	\$0
142 Prepaid Expenses and Other Assets	\$48,473	\$48,473
143 Inventories	\$3,655	\$3,655
143.1 Allowance for Obsolete Inventories	-\$183	-\$183
144 Inter Program Due From	\$0	\$0
145 Assets Held for Sale	\$0	\$0
150 Total Current Assets	\$515,760	\$515,760
161 Land	\$154,069	\$154,069
162 Buildings	\$6,593,928	\$6,593,928
163 Furniture, Equipment & Machinery - Dwellings	\$137,730	\$137,730
164 Furniture, Equipment & Machinery - Administration	\$132,519	\$132,519
165 Leasehold Improvements	\$694,220	\$694,220
166 Accumulated Depreciation	-\$5,766,463	-\$5,766,463
167 Construction in Progress	\$100,093	\$100,093
168 Infrastructure	\$0	\$0
160 Total Capital Assets, Net of Accumulated Depreciation	\$2,046,096	\$2,046,096
171 Notes, Loans and Mortgages Receivable - Non-Current		
172 Notes, Loans, & Mortgages Receivable - Non Current - Past Due		
173 Grants Receivable - Non Current	\$0	\$0
174 Other Assets		
176 Investments in Joint Ventures		
180 Total Non-Current Assets	\$2,046,096	\$2,046,096
200 Deferred Outflow of Resources	\$0	\$0
290 Total Assets and Deferred Outflow of Resources	\$2,561,856	\$2,561,856

HOUSING AUTHORITY OF LAKE PROVIDENCE, LOUISIANA
FINANCIAL DATA SCHEDULES

YEAR ENDED SEPTEMBER 30, 2014

Entity Wide Balance Sheet Summary		
	Project Total	Total
311 Bank Overdraft	\$0	\$0
312 Accounts Payable <= 90 Days	\$7,277	\$7,277
313 Accounts Payable >90 Days Past Due	\$0	\$0
321 Accrued Wage/Payroll Taxes Payable	\$2,383	\$2,383
322 Accrued Compensated Absences - Current Portion	\$9,443	\$9,443
324 Accrued Contingency Liability	\$0	\$0
325 Accrued Interest Payable	\$0	\$0
331 Accounts Payable - HUD PHA Programs		
332 Account Payable - PHA Projects	\$0	\$0
333 Accounts Payable - Other Government	\$20,787	\$20,787
341 Tenant Security Deposits	\$19,144	\$19,144
342 Unearned Revenue	\$286,864	\$286,864
343 Current Portion of Long-term Debt - Capital Projects/Mortgage Revenue		
344 Current Portion of Long-term Debt - Operating Borrowings	\$0	\$0
345 Other Current Liabilities	\$0	\$0
346 Accrued Liabilities - Other	\$5,935	\$5,935
347 Inter Program - Due To	\$0	\$0
348 Loan Liability - Current		
310 Total Current Liabilities	\$351,833	\$351,833
351 Long-term Debt, Net of Current - Capital Projects/Mortgage Revenue		
352 Long-term Debt, Net of Current - Operating Borrowings	\$0	\$0
353 Non-current Liabilities - Other	\$0	\$0
354 Accrued Compensated Absences - Non Current	\$19,010	\$19,010
355 Loan Liability - Non Current		
356 FASB 5 Liabilities	\$0	\$0
357 Accrued Pension and OPEB Liabilities		
350 Total Non-Current Liabilities	\$19,010	\$19,010
300 Total Liabilities	\$370,843	\$370,843
400 Deferred Inflow of Resources	\$0	\$0
508.4 Net Investment in Capital Assets	\$2,046,096	\$2,046,096
511.4 Restricted Net Position	\$0	\$0
512.4 Unrestricted Net Position	\$144,917	\$144,917
513 Total Equity - Net Assets / Position	\$2,191,013	\$2,191,013
600 Total Liabilities, Deferred Inflows of Resources and Equity - Net	\$2,561,856	\$2,561,856

HOUSING AUTHORITY OF LAKE PROVIDENCE, LOUISIANA
FINANCIAL DATA SCHEDULES

YEAR ENDED SEPTEMBER 30, 2014

Single Project Revenue and Expense			
	Low Rent	Capital Fund	Total Project
70300 Net Tenant Rental Revenue	\$277,787	\$0	\$277,787
70400 Tenant Revenue - Other	\$11,371	\$0	\$11,371
70500 Total Tenant Revenue	\$289,158	\$0	\$289,158
70600 HUD PHA Operating Grants	\$410,799	\$51,697	\$462,496
70610 Capital Grants	\$0	\$116,545	\$116,545
70710 Management Fee			
70720 Asset Management Fee			
70730 Book Keeping Fee			
70740 Front Line Service Fee			
70750 Other Fees			
70700 Total Fee Revenue			
70800 Other Government Grants	\$0	\$0	\$0
71100 Investment Income - Unrestricted	\$406	\$0	\$406
71200 Mortgage Interest Income	\$0	\$0	\$0
71300 Proceeds from Disposition of Assets Held for Sale	\$0	\$0	\$0
71310 Cost of Sale of Assets	\$0	\$0	\$0
71400 Fraud Recovery	\$0	\$0	\$0
71500 Other Revenue	\$27,183	\$0	\$27,183
71600 Gain or Loss on Sale of Capital Assets	\$0	\$0	\$0
72000 Investment Income - Restricted	\$0	\$0	\$0
70000 Total Revenue	\$727,546	\$168,242	\$895,788
91100 Administrative Salaries	\$138,976	\$0	\$138,976
91200 Auditing Fees	\$10,830	\$0	\$10,830
91300 Management Fee			
91310 Book-keeping Fee	\$0	\$0	\$0
91400 Advertising and Marketing	\$113	\$0	\$113
91500 Employee Benefit contributions - Administrative	\$16,411	\$0	\$16,411
91600 Office Expenses	\$14,371	\$0	\$14,371
91700 Legal Expense	\$781	\$0	\$781
91800 Travel	\$6,639	\$0	\$6,639
91810 Allocated Overhead	\$0	\$0	\$0
91900 Other	\$9,750	\$0	\$9,750
91000 Total Operating - Administrative	\$197,871	\$0	\$197,871
92000 Asset Management Fee	\$0	\$0	\$0
92100 Tenant Services - Salaries	\$0	\$0	\$0
92200 Relocation Costs	\$0	\$0	\$0
92300 Employee Benefit Contributions - Tenant Services	\$0	\$0	\$0
92400 Tenant Services - Other	\$330	\$0	\$330
92500 Total Tenant Services	\$330	\$0	\$330
93100 Water	\$29,149	\$0	\$29,149
93200 Electricity	\$9,888	\$0	\$9,888
93300 Gas	\$1,197	\$0	\$1,197
93400 Fuel	\$0	\$0	\$0
93500 Labor	\$0	\$0	\$0
93600 Sewer	\$29,684	\$0	\$29,684
93700 Employee Benefit Contributions - Utilities	\$0	\$0	\$0
93800 Other Utilities Expense	\$0	\$0	\$0
93000 Total Utilities	\$69,918	\$0	\$69,918

HOUSING AUTHORITY OF LAKE PROVIDENCE, LOUISIANA
FINANCIAL DATA SCHEDULES

YEAR ENDED SEPTEMBER 30, 2014

Single Project Revenue and Expense			
	Low Rent	Capital Fund	Total Project
94100 Ordinary Maintenance and Operations - Labor	\$115,712	\$0	\$115,712
94200 Ordinary Maintenance and Operations - Materials and Other	\$77,733	\$0	\$77,733
94300 Ordinary Maintenance and Operations Contracts	\$123,268		\$123,268
94500 Employee Benefit Contributions - Ordinary Maintenance	\$71,465	\$0	\$71,465
94000 Total Maintenance	\$388,178	\$0	\$388,178
95100 Protective Services - Labor	\$0	\$0	\$0
95200 Protective Services - Other Contract Costs	\$0	\$0	\$0
95300 Protective Services - Other	\$0	\$0	\$0
95500 Employee Benefit Contributions - Protective Services	\$0	\$0	\$0
95000 Total Protective Services	\$0	\$0	\$0
96110 Property Insurance	\$45,035	\$0	\$45,035
96120 Liability Insurance	\$11,373	\$0	\$11,373
96130 Workmen's Compensation	\$7,732	\$0	\$7,732
96140 All Other Insurance	\$6,726	\$0	\$6,726
96100 Total insurance Premiums	\$70,866	\$0	\$70,866
96200 Other General Expenses	\$0	\$0	\$0
96210 Compensated Absences	\$16,229	\$0	\$16,229
96300 Payments in Lieu of Taxes	\$20,787	\$0	\$20,787
96400 Bad debt - Tenant Rents	\$426	\$0	\$426
96500 Bad debt - Mortgages	\$0	\$0	\$0
96600 Bad debt - Other	\$0	\$0	\$0
96800 Severance Expense	\$0	\$0	\$0
96000 Total Other General Expenses	\$37,442	\$0	\$37,442
96710 Interest of Mortgage (or Bonds) Payable	\$0	\$0	\$0
96720 Interest on Notes Payable (Short and Long Term)	\$0	\$0	\$0
96730 Amortization of Bond Issue Costs	\$0	\$0	\$0
96700 Total Interest Expense and Amortization Cost	\$0	\$0	\$0
96900 Total Operating Expenses	\$764,605	\$0	\$764,605
97000 Excess of Operating Revenue over Operating Expenses	-\$37,059	\$168,242	\$131,183
97100 Extraordinary Maintenance	\$0	\$0	\$0
97200 Casualty Losses - Non-capitalized	\$17,434	\$0	\$17,434
97300 Housing Assistance Payments	\$0	\$0	\$0
97350 HAP Portability-In	\$0	\$0	\$0
97400 Depreciation Expense	\$217,880	\$0	\$217,880
97500 Fraud Losses	\$0	\$0	\$0
97600 Capital Outlays - Governmental Funds			
97700 Debt Principal Payment - Governmental Funds			
97800 Dwelling Units Rent Expense	\$0	\$0	\$0
90000 Total Expenses	\$999,919	\$0	\$999,919

HOUSING AUTHORITY OF LAKE PROVIDENCE, LOUISIANA
FINANCIAL DATA SCHEDULES

YEAR ENDED SEPTEMBER 30, 2014

Single Project Revenue and Expense			
	Low Rent	Capital Fund	Total Project
10010 Operating Transfer In	\$51,697	\$0	\$51,697
10020 Operating transfer Out	\$0	-\$51,697	-\$51,697
10030 Operating Transfers from/to Primary Government			
10040 Operating Transfers from/to Component Unit	\$0	\$0	\$0
10050 Proceeds from Notes, Loans and Bonds			
10060 Proceeds from Property Sales			
10070 Extraordinary Items, Net Gain/Loss	\$0	\$0	\$0
10080 Special Items (Net Gain/Loss)	\$0	\$0	\$0
10091 Inter Project Excess Cash Transfer In	\$0	\$0	\$0
10092 Inter Project Excess Cash Transfer Out	\$0	\$0	\$0
10093 Transfers between Program and Project - In	\$0	\$0	\$0
10094 Transfers between Project and Program - Out	\$0	\$0	\$0
10100 Total Other financing Sources (Uses)	\$51,697	-\$51,697	\$0
10000 Excess (Deficiency) of Total Revenue Over (Under) Total Expenses	-\$220,676	\$116,545	-\$104,131
11020 Required Annual Debt Principal Payments	\$0	\$0	\$0
11030 Beginning Equity	\$2,189,088	\$106,056	\$2,295,144
11040 Prior Period Adjustments, Equity Transfers and Correction of Errors			
11050 Changes in Compensated Absence Balance			
11060 Changes in Contingent Liability Balance			
11070 Changes in Unrecognized Pension Transition Liability			
11080 Changes in Special Term/Severance Benefits Liability			
11090 Changes in Allowance for Doubtful Accounts - Dwelling Rents			
11100 Changes in Allowance for Doubtful Accounts - Other			
11170 Administrative Fee Equity			
11180 Housing Assistance Payments Equity			
11190 Unit Months Available	1752		1752
11210 Number of Unit Months Leased	1745		1745
11270 Excess Cash	\$48,265		\$48,265
11610 Land Purchases	\$0	\$0	\$0
11620 Building Purchases	\$0	\$114,675	\$114,675
11630 Furniture & Equipment - Dwelling Purchases	\$0	\$0	\$0
11640 Furniture & Equipment - Administrative Purchases	\$0	\$1,175	\$1,175
11650 Leasehold Improvements Purchases	\$0	\$695	\$695
11660 Infrastructure Purchases	\$0	\$0	\$0
13510 CFFP Debt Service Payments	\$0	\$0	\$0
13901 Replacement Housing Factor Funds	\$0	\$0	\$0

HOUSING AUTHORITY OF LAKE PROVIDENCE, LOUISIANA
FINANCIAL DATA SCHEDULES

YEAR ENDED SEPTEMBER 30, 2014

Entity Wide Revenue and Expense Summary		
	Project Total	Total
70300 Net Tenant Rental Revenue	\$277,787	\$277,787
70400 Tenant Revenue - Other	\$11,371	\$11,371
70500 Total Tenant Revenue	\$289,158	\$289,158
70600 HUD PHA Operating Grants	\$462,496	\$462,496
70610 Capital Grants	\$116,545	\$116,545
70710 Management Fee		
70720 Asset Management Fee		
70730 Book Keeping Fee		
70740 Front Line Service Fee		
70750 Other Fees		
70700 Total Fee Revenue		
70800 Other Government Grants	\$0	\$0
71100 Investment Income - Unrestricted	\$406	\$406
71200 Mortgage Interest Income	\$0	\$0
71300 Proceeds from Disposition of Assets Held for Sale	\$0	\$0
71310 Cost of Sale of Assets	\$0	\$0
71400 Fraud Recovery	\$0	\$0
71500 Other Revenue	\$27,183	\$27,183
71600 Gain or Loss on Sale of Capital Assets	\$0	\$0
72000 Investment Income - Restricted	\$0	\$0
70000 Total Revenue	\$895,788	\$895,788
91100 Administrative Salaries	\$138,976	\$138,976
91200 Auditing Fees	\$10,830	\$10,830
91300 Management Fee		
91310 Book-keeping Fee	\$0	\$0
91400 Advertising and Marketing	\$113	\$113
91500 Employee Benefit contributions - Administrative	\$16,411	\$16,411
91600 Office Expenses	\$14,371	\$14,371
91700 Legal Expense	\$781	\$781
91800 Travel	\$6,639	\$6,639
91810 Allocated Overhead	\$0	\$0
91900 Other	\$9,750	\$9,750
91000 Total Operating - Administrative	\$197,871	\$197,871
92000 Asset Management Fee	\$0	\$0
92100 Tenant Services - Salaries	\$0	\$0
92200 Relocation Costs	\$0	\$0
92300 Employee Benefit Contributions - Tenant Services	\$0	\$0
92400 Tenant Services - Other	\$330	\$330
92500 Total Tenant Services	\$330	\$330
93100 Water	\$29,149	\$29,149
93200 Electricity	\$9,888	\$9,888
93300 Gas	\$1,197	\$1,197
93400 Fuel	\$0	\$0
93500 Labor	\$0	\$0
93600 Sewer	\$29,684	\$29,684
93700 Employee Benefit Contributions - Utilities	\$0	\$0
93800 Other Utilities Expense	\$0	\$0
93000 Total Utilities	\$69,918	\$69,918

HOUSING AUTHORITY OF LAKE PROVIDENCE, LOUISIANA
FINANCIAL DATA SCHEDULES

YEAR ENDED SEPTEMBER 30, 2014

Entity Wide Revenue and Expense Summary		
	Project Total	Total
94100 Ordinary Maintenance and Operations - Labor	\$115,712	\$115,712
94200 Ordinary Maintenance and Operations - Materials and Other	\$77,733	\$77,733
94300 Ordinary Maintenance and Operations Contracts	\$123,268	\$123,268
94500 Employee Benefit Contributions - Ordinary Maintenance	\$71,465	\$71,465
94000 Total Maintenance	\$388,178	\$388,178
95100 Protective Services - Labor	\$0	\$0
95200 Protective Services - Other Contract Costs	\$0	\$0
95300 Protective Services - Other	\$0	\$0
95500 Employee Benefit Contributions - Protective Services	\$0	\$0
95000 Total Protective Services	\$0	\$0
96110 Property Insurance	\$45,035	\$45,035
96120 Liability Insurance	\$11,373	\$11,373
96130 Workmen's Compensation	\$7,732	\$7,732
96140 All Other Insurance	\$6,726	\$6,726
96100 Total insurance Premiums	\$70,866	\$70,866
96200 Other General Expenses	\$0	\$0
96210 Compensated Absences	\$16,229	\$16,229
96300 Payments in Lieu of Taxes	\$20,787	\$20,787
96400 Bad debt - Tenant Rents	\$426	\$426
96500 Bad debt - Mortgages	\$0	\$0
96600 Bad debt - Other	\$0	\$0
96800 Severance Expense	\$0	\$0
96000 Total Other General Expenses	\$37,442	\$37,442
96710 Interest of Mortgage (or Bonds) Payable	\$0	\$0
96720 Interest on Notes Payable (Short and Long Term)	\$0	\$0
96730 Amortization of Bond Issue Costs	\$0	\$0
96700 Total Interest Expense and Amortization Cost	\$0	\$0
96900 Total Operating Expenses	\$764,605	\$764,605
97000 Excess of Operating Revenue over Operating Expenses	\$131,183	\$131,183
97100 Extraordinary Maintenance	\$0	\$0
97200 Casualty Losses - Non-capitalized	\$17,434	\$17,434
97300 Housing Assistance Payments	\$0	\$0
97350 HAP Portability-In	\$0	\$0
97400 Depreciation Expense	\$217,880	\$217,880
97500 Fraud Losses	\$0	\$0
97600 Capital Outlays - Governmental Funds		
97700 Debt Principal Payment - Governmental Funds		
97800 Dwelling Units Rent Expense	\$0	\$0
90000 Total Expenses	\$999,919	\$999,919

HOUSING AUTHORITY OF LAKE PROVIDENCE, LOUISIANA
FINANCIAL DATA SCHEDULES

YEAR ENDED SEPTEMBER 30, 2014

Entity Wide Revenue and Expense Summary		
	Project Total	Total
10010 Operating Transfer In	\$51,697	\$51,697
10020 Operating transfer Out	-\$51,697	-\$51,697
10030 Operating Transfers from/to Primary Government		
10040 Operating Transfers from/to Component Unit	\$0	\$0
10050 Proceeds from Notes, Loans and Bonds		
10060 Proceeds from Property Sales		
10070 Extraordinary Items, Net Gain/Loss	\$0	\$0
10080 Special Items (Net Gain/Loss)	\$0	\$0
10091 Inter Project Excess Cash Transfer In	\$0	\$0
10092 Inter Project Excess Cash Transfer Out	\$0	\$0
10093 Transfers between Program and Project - In	\$0	\$0
10094 Transfers between Project and Program - Out	\$0	\$0
10100 Total Other financing Sources (Uses)	\$0	\$0
10000 Excess (Deficiency) of Total Revenue Over (Under) Total Expenses	-\$104,131	-\$104,131
11020 Required Annual Debt Principal Payments	\$0	\$0
11030 Beginning Equity	\$2,295,144	\$2,295,144
11040 Prior Period Adjustments, Equity Transfers and Correction of Errors		
11050 Changes in Compensated Absence Balance		
11060 Changes in Contingent Liability Balance		
11070 Changes in Unrecognized Pension Transition Liability		
11080 Changes in Special Term/Severance Benefits Liability		
11090 Changes in Allowance for Doubtful Accounts - Dwelling Rents		
11100 Changes in Allowance for Doubtful Accounts - Other		
11170 Administrative Fee Equity		
11180 Housing Assistance Payments Equity		
11190 Unit Months Available	1752	1752
11210 Number of Unit Months Leased	1745	1745
11270 Excess Cash	\$48,265	\$48,265
11610 Land Purchases	\$0	\$0
11620 Building Purchases	\$114,675	\$114,675
11630 Furniture & Equipment - Dwelling Purchases	\$0	\$0
11640 Furniture & Equipment - Administrative Purchases	\$1,175	\$1,175
11650 Leasehold Improvements Purchases	\$695	\$695
11660 Infrastructure Purchases	\$0	\$0
13510 CFFP Debt Service Payments	\$0	\$0
13901 Replacement Housing Factor Funds	\$0	\$0